

## CONFERENCE COMMITTEE REPORT DIGEST FOR ESB 327

**Citations Affected:** IC 6-1.1; IC 20-14-13-10; IC 21-2-15-9.

**Synopsis:** Taxation. Provides that special integrated steel mill equipment property tax valuation applies only if the mill produces steel in a blast furnace in Indiana. Delays the next general reassessment of real property by two years and requires general reassessments every five years thereafter. Delays until 2006 implementation of annual adjustments of real property tax assessments. Directs the department of local government finance (DLGF) to adjust its guidelines used to determine the annual adjustment for agricultural land. Amends the factors to be included in the annual adjustment rule of the DLGF. Sets an agricultural land base rate of \$880 per acre for property tax assessments in 2005 and 2006. Allows assessors to employ professional appraisers to assist with annual adjustments. Requires the DLGF to: (1) review and certify annual adjustments; (2) establish local deadlines in the determination of annual adjustments; (3) provide training to assessors and county auditors in the verification of sales; (4) approve a determination by assessors to not employ a professional appraiser for a general reassessment; and (5) adopt rules for the establishment of a statewide uniform and common property tax management system. Allows the DLGF to take over local assessment, reassessment, or annual adjustment activities after giving at least 60 days notice if it determines that the activities are not being performed properly. Allows the county assessor and the township assessors in the county to vote to abolish the county land valuation commission. Requires payment for state conducted assessment or reassessment activities from the county property reassessment fund and establishes a schedule of levies for that fund. Provides that the DLGF does not prescribe computer specification standards for the certification of computer operating systems. Allows the filing of an assessment registration notice with the county assessor or the area plan commission. Renames the assessment training fund the assessment training and administration fund, extends for six years the \$10 sales disclosure form filing fee, requires deposit of 40% of the revenue from the fee in that fund instead of the state general fund, and allows the Indiana board of tax review to use money in the fund to conduct appeal activities. Requires additional information on the sales disclosure form. Applies sales disclosure requirements to property exempt from property taxes. Adjusts requirements for notice by the DLGF to taxpayers objecting to local budgets and levies. Requires the DLGF to conduct its review of local government budgets by fund, except for budgets for school and library capital projects funds. Provides that the term of a member of the property tax assessment board of appeals is one year. Directs the department of state revenue to withhold state property tax

replacement fund distributions to counties for various reasons. Allows a school corporation to repay a rainy day fund loan from the school corporation's debt service fund. Prohibits an appraiser or a technical advisor that contracts with a township or county from representing taxpayers in the county, but allows representation with respect to an issue of a taxpayer after the contract term if the appraiser or technical advisor was not directly involved with the issue of the taxpayer while under contract. Authorizes a refund of property taxes paid by an exempt sorority that meets certain criteria. Authorizes a nonprofit youth soccer organization to claim retroactive property tax exemptions and refunds for property taxes paid in 2003 and 2004. Authorizes certain religious institutions to claim missed property tax exemptions retroactively. Authorizes retroactive property tax exemption for certain nonprofit entities established for the purpose of retaining and preserving land and water for their natural characteristics. Establishes a procedure for resolution and appeal of property tax abatements. **(This conference committee report: (1) deletes the requirement to phase in over five years the annual adjustment of the assessed value of real property for property taxes payable in 2007; (2) deletes the statutory formula for the DLGF to set the agricultural land base rate and directs the DLGF to adjust its guidelines used to determine the annual adjustment for agricultural land; (3) adds the requirement for the DLGF to give at least 60 days notice before taking over local assessment, reassessment, or annual adjustment activities; (4) applies the sales disclosure filing fee to property exempt from property taxes; (5) extends the \$10 sales disclosure form filing fee for six years instead of four years; (6) adds the requirement that the DLGF conduct its review of local government budgets by fund; (7) deletes the requirement for the DLGF to publish notice of a taxpayers' petition objecting to local budgets and levies; (8) limits to two years the retroactive property tax exemption for a youth soccer organization; (9) limits to two years the retroactive property tax exemption for a religious institution that acquired the property after December 31, 1999; (10) authorizes retroactive property tax exemption for certain nonprofit entities; and (11) changes dates and makes technical changes in the procedure for resolution and appeal of property tax abatements.)**

**Effective:** Upon passage; January 1, 2004 (retroactive); July 1, 2005.

Adopted

Rejected

## CONFERENCE COMMITTEE REPORT

**MR. SPEAKER:**

*Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 327 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 6-1.1-1-3.5 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: **Sec. 3.5. "Base rate" means the statewide**
- 5 **agricultural land base rate value per acre used to determine the**
- 6 **true tax value of agricultural land under:**
- 7 (1) the real property assessment guidelines of the department
- 8 of local government finance; or
- 9 (2) rules or guidelines of the department of local government
- 10 finance that succeed the guidelines referred to in subdivision
- 11 (1).
- 12 SECTION 2. IC 6-1.1-3-23 IS AMENDED TO READ AS
- 13 FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]:
- 14 Sec. 23. (a) For purposes of this section:
- 15 (1) "adjusted cost" refers to the adjusted cost established in 50
- 16 IAC 4.2-4-4 (as in effect on January 1, 2003);
- 17 (2) "depreciable personal property" has the meaning set forth in 50
- 18 IAC 4.2-4-1 (as in effect on January 1, 2003);
- 19 (3) "integrated steel mill" means a person that produces steel by
- 20 processing iron ore and other raw materials in a blast furnace in
- 21 **Indiana;**
- 22 (4) "oil refinery/petrochemical company" means a person that

1 produces a variety of petroleum products by processing an annual  
2 average of at least one hundred thousand (100,000) barrels of crude  
3 oil per day;

4 (5) "permanently retired depreciable personal property" has the  
5 meaning set forth in 50 IAC 4.2-4-3 (as in effect on January 1,  
6 2003);

7 (6) "pool" refers to a pool established in 50 IAC 4.2-4-5(a) (as in  
8 effect on January 1, 2003);

9 (7) "special integrated steel mill or oil refinery/petrochemical  
10 equipment" means depreciable personal property, other than special  
11 tools and permanently retired depreciable personal property:

12 (A) that:

13 (i) is owned, leased, or used by an integrated steel mill or an  
14 entity that is at least fifty percent (50%) owned by an affiliate  
15 of an integrated steel mill; and

16 (ii) falls within Asset Class 33.4 as set forth in IRS Rev. Proc.  
17 87-56, 1987-2, C.B. 647; or

18 (B) that:

19 (i) is owned, leased, or used as an integrated part of an oil  
20 refinery/petrochemical company or its affiliate; and

21 (ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS  
22 Rev. Proc. 87-56, 1987-2, C.B. 647;

23 (8) "special tools" has the meaning set forth in 50 IAC 4.2-6-2 (as  
24 in effect on January 1, 2003); and

25 (9) "year of acquisition" refers to the year of acquisition determined  
26 under 50 IAC 4.2-4-6 (as in effect on January 1, 2003).

27 (b) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50  
28 IAC 4.2-4-7, a taxpayer may elect to calculate the true tax value of the  
29 taxpayer's special integrated steel mill or oil refinery/petrochemical  
30 equipment by multiplying the adjusted cost of that equipment by the  
31 percentage set forth in the following table:

Year of Acquisition	Percentage
1	40%
2	56%
3	42%
4	32%
5	24%
6	18%
7	15%
8 and older	10%

41 (c) The department of local government finance shall designate the  
42 table under subsection (b) as "Pool No. 5" on the business personal  
43 property tax return.

44 (d) The percentage factors in the table under subsection (b)  
45 automatically reflect all adjustments for depreciation and obsolescence,  
46 including abnormal obsolescence, for special integrated steel mill or oil  
47 refinery/petrochemical equipment. The equipment is entitled to all  
48 exemptions, credits, and deductions for which it qualifies.

49 (e) The minimum valuation limitations under 50 IAC 4.2-4-9 do not  
50 apply to special integrated steel mill or oil refinery/petrochemical  
51 equipment valued under this section. The value of the equipment is not

1 included in the calculation of that minimum valuation limitation for the  
 2 taxpayer's other assessable depreciable personal property in the taxing  
 3 district.

4 (f) An election to value special integrated steel mill or oil  
 5 refinery/petrochemical equipment under this section:

6 (1) must be made by reporting the equipment under this section on  
 7 a business personal property tax return;

8 (2) applies to all of the taxpayer's special integrated steel mill or oil  
 9 refinery/petrochemical equipment located in the state (whether  
 10 owned or leased, or used as an integrated part of the equipment);  
 11 and

12 (3) is binding on the taxpayer for the assessment date for which the  
 13 election is made.

14 The department of local government finance shall prescribe the forms  
 15 to make the election beginning with the March 1, 2003, assessment  
 16 date. Any special integrated steel mill or oil refinery/petrochemical  
 17 equipment acquired by a taxpayer that has made an election under this  
 18 section is valued under this section.

19 (g) If fifty percent (50%) or more of the adjusted cost of a taxpayer's  
 20 property that would, notwithstanding this section, be reported in a pool  
 21 other than Pool No. 5 is attributable to special integrated steel mill or  
 22 oil refinery/petrochemical equipment, the taxpayer may elect to  
 23 calculate the true tax value of all of that property as special integrated  
 24 steel mill or oil refinery/petrochemical equipment. The true tax value  
 25 of property for which an election is made under this subsection is  
 26 calculated under subsections (b) through (f).

27 SECTION 3. IC 6-1.1-4-4 IS AMENDED TO READ AS FOLLOWS  
 28 [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) A general reassessment,  
 29 involving a physical inspection of all real property in Indiana, shall  
 30 begin July 1, 2000, and be the basis for taxes payable in 2003.

31 (b) A general reassessment, involving a physical inspection of all real  
 32 property in Indiana, shall begin July 1, ~~2007~~, **2009**, and each ~~fourth~~  
 33 **fifth** year thereafter. Each reassessment under this subsection:

34 (1) shall be completed on or before March 1, of the ~~immediately~~  
 35 ~~following odd-numbered~~ year **that succeeds by two (2) years the**  
 36 **year in which the general reassessment begins; and**

37 (2) shall be the basis for taxes payable in the year following the  
 38 year in which the general assessment is to be completed.

39 (c) In order to ensure that assessing officials and members of each  
 40 county property tax assessment board of appeals are prepared for a  
 41 general reassessment of real property, the department of local  
 42 government finance shall give adequate advance notice of the general  
 43 reassessment to the county and township taxing officials of each  
 44 county.

45 SECTION 4. IC 6-1.1-4-4.5 IS AMENDED TO READ AS  
 46 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.5. (a) The  
 47 department of local government finance shall adopt rules establishing  
 48 a system for annually adjusting the assessed value of real property to  
 49 account for changes in value in those years since a general reassessment  
 50 of property last took effect.

51 (b) **Subject to subsection (e)**, the system must be applied to adjust

assessed values beginning with the ~~2005~~ **2006** assessment date and each year thereafter that is not a year in which a reassessment becomes effective.

(c) ~~The system must have rules adopted under subsection (a) must include~~ the following characteristics **in the system**:

(1) Promote uniform and equal assessment of real property within and across classifications.

(2) ~~Apply all objectively verifiable factors used in mass valuation techniques that are reasonably expected to affect the value of real property in Indiana.~~

(3) Prescribe as many adjustment percentages and whatever categories of percentages the department of local government finance finds necessary to achieve objectively verifiable updated just valuations of real property. An adjustment percentage for a particular classification may be positive or negative.

**(2) Require that assessing officials:**

**(A) reevaluate the factors that affect value;**

**(B) express the interactions of those factors mathematically;**

**(C) use mass appraisal techniques to estimate updated property values within statistical measures of accuracy; and**

**(D) provide notice to taxpayers of an assessment increase that results from the application of annual adjustments.**

~~(4)~~ (3) Prescribe procedures including computer software programs; that permit the application of the adjustment percentages in an efficient manner by assessing officials.

**(d) The department of local government finance must review and certify each annual adjustment determined under this section.**

**(e) In making the annual determination of the base rate to satisfy the requirement for an annual adjustment under subsection (a), the department of local government finance shall determine the base rate using the methodology reflected in Table 2-18 of Book 1, Chapter 2 of the department of local government finance's Real Property Assessment Guidelines (as in effect on January 1, 2005), except that the department shall adjust the methodology to use a six (6) year rolling average instead of a four (4) year rolling average.**

SECTION 5. IC 6-1.1-4-4.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) For purposes of this section, "assessor" means:

(1) a township assessor; or

(2) a county assessor who assumes the responsibility for verifying sales under 50 IAC 21-3-2(b).

**(b) The department of local government finance shall provide training to assessors and county auditors with respect to the verification of sales disclosure forms under 50 IAC 21-3-2.**

SECTION 6. IC 6-1.1-4-13.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13.8. (a) As used in this section, "commission" refers to a county land valuation commission established under subsection (b).

**(b) Subject to subsection (l), a county land valuation commission is**

1 established in each county for the purpose of determining the value of  
 2 commercial, industrial, and residential land (including farm homesites)  
 3 in the county.

4 (c) The county assessor is chairperson of the commission.

5 (d) The following are members of the commission:

6 (1) The county assessor. The county assessor shall cast a vote only  
 7 to break a tie.

8 (2) Each township assessor, when the respective township land  
 9 values for that township assessor's township are under  
 10 consideration. A township assessor serving under this subdivision  
 11 shall vote on all matters relating to the land values of that township  
 12 assessor's township.

13 (3) One (1) township assessor from the county to be appointed by  
 14 a majority vote of all the township assessors in the county.

15 (4) One (1) county resident who:

16 (A) holds a license under IC 25-34.1-3 as a salesperson or  
 17 broker; and

18 (B) is appointed by:

19 (i) the board of commissioners (as defined in IC 36-3-3-10) for  
 20 a county having a consolidated city; or

21 (ii) the county executive (as defined in IC 36-1-2-5) for a  
 22 county not described in item (i).

23 (5) Four (4) individuals who:

24 (A) are appointed by the county executive (as defined in  
 25 IC 36-1-2-5); and

26 (B) represent one (1) of the following four (4) kinds of land in  
 27 the county:

28 (i) Agricultural.

29 (ii) Commercial.

30 (iii) Industrial.

31 (iv) Residential.

32 Each of the four (4) kinds of land in the county must be  
 33 represented by one (1) individual appointed under this  
 34 subdivision.

35 (6) One (1) individual who:

36 (A) represents financial institutions in the county; and

37 (B) is appointed by:

38 (i) the board of commissioners (as defined in IC 36-3-3-10) for  
 39 a county having a consolidated city; or

40 (ii) the county executive (as defined in IC 36-1-2-5) for a  
 41 county not described in item (i).

42 (e) The term of each member of the commission begins November 1  
 43 of the year that precedes by two (2) years the year in which a general  
 44 reassessment begins under IC 6-1.1-4-4, and ends January 1 of the year  
 45 in which the general reassessment begins under IC 6-1.1-4-4. The  
 46 appointing authority may fill a vacancy for the remainder of the vacated  
 47 term.

48 (f) The commission shall determine the values of all classes of  
 49 commercial, industrial, and residential land (including farm homesites)  
 50 in the county using guidelines determined by the department of local  
 51 government finance. Not later than November 1 of the year preceding

the year in which a general reassessment begins, the commission determining the values of land shall submit the values, all data supporting the values, and all information required under rules of the department of local government finance relating to the determination of land values to the county property tax assessment board of appeals and the department of local government finance. Not later than January 1 of the year in which a general reassessment begins, the county property tax assessment board of appeals shall hold a public hearing in the county concerning those values. The property tax assessment board of appeals shall give notice of the hearing in accordance with IC 5-3-1 and shall hold the hearing after March 31 of the year preceding the year in which the general reassessment begins and before January 1 of the year in which the general reassessment under IC 6-1.1-4-4 begins.

(g) The county property tax assessment board of appeals shall review the values, data, and information submitted under subsection (f) and may make any modifications it considers necessary to provide uniformity and equality. The county property tax assessment board of appeals shall coordinate the valuation of property adjacent to the boundaries of the county with the county property tax assessment boards of appeals of the adjacent counties using the procedures adopted by rule under IC 4-22-2 by the department of local government finance. If the commission fails to submit land values under subsection (f) to the county property tax assessment board of appeals before January 1 of the year the general reassessment under IC 6-1.1-4-4 begins, the county property tax assessment board of appeals shall determine the values.

(h) The county property tax assessment board of appeals shall give notice to the county and township assessors of its decision on the values. The notice must be given before March 1 of the year the general reassessment under IC 6-1.1-4-4 begins. Not later than twenty (20) days after that notice, the county assessor or a township assessor in the county may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals shall hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(i) Not later than twenty (20) days after notice to the county and township assessor is given under subsection (h), a taxpayer may request that the county property tax assessment board of appeals reconsider the values. The county property tax assessment board of appeals may hold a hearing on the reconsideration in the county. The county property tax assessment board of appeals shall give notice of the hearing under IC 5-3-1.

(j) A taxpayer may appeal the value determined under this section as applied to the taxpayer's land as part of an appeal filed under IC 6-1.1-15 after the taxpayer has received a notice of assessment. If a taxpayer that files an appeal under IC 6-1.1-15 requests the values, data, or information received by the county property tax assessment board of appeals under subsection (f), the county property tax assessment board of appeals shall satisfy the request. The department of local government finance may modify the taxpayer's land value and the value of any other land in the township, the county where the



taxpayer's land is located, or the adjacent county if the department of local government finance determines it is necessary to provide uniformity and equality.

(k) The county assessor shall notify all township assessors in the county of the values as determined by the commission and as modified by the county property tax assessment board of appeals or department of local government finance under this section. Township assessors shall use the values determined under this section.

**(l) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to abolish the county land valuation commission established under subsection (b). Each township assessor and the county assessor has one (1) vote. The county assessor shall give written notice to:**

**(1) each member of the county land valuation commission; and**

**(2) each township assessor in the county;**

**of the abolishment of the commission under this subsection.**

SECTION 7. IC 6-1.1-4-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) For purposes of making a general reassessment of real property **or annual adjustments under section 4.5 of this chapter**, any township assessor and any county assessor may employ:

(1) deputies;

(2) employees; and

(3) technical advisors who are:

**(A) qualified to determine real property values;**

**(B) professional appraisers certified under 50 IAC 15; ~~The assessor may employ a technical advisor and~~**

**(C) employed either on a full-time or a part-time basis, subject to sections 18.5 and 19.5 of this chapter.**

(b) The county council of each county shall appropriate the funds necessary for the employment of deputies, employees, or technical advisors employed under subsection (a) of this section.

SECTION 8. IC 6-1.1-4-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Subject to the approval of the department of local government finance and the requirements of section ~~18(a)~~ **18.5** of this chapter, a:

(1) township assessor; or

(2) group consisting of the county assessor and the township assessors in a county;

may employ professional appraisers as technical advisors. **A decision by one (1) or more assessors referred to in subdivisions (1) and (2) to not employ a professional appraiser as a technical advisor in a general reassessment is subject to approval by the department of local government finance.**

(b) After notice to the county assessor and all township assessors in the county, a majority of the assessors authorized to vote under this subsection may vote to:

(1) employ a professional appraiser to act as a technical advisor in the county during a general reassessment period;

(2) appoint an assessor or a group of assessors to:

- (A) enter into and administer the contract with a professional appraiser employed under this section; and
- (B) oversee the work of a professional appraiser employed under this section.

Each township assessor and the county assessor has one (1) vote. A decision by a majority of the persons authorized to vote is binding on the county assessor and all township assessors in the county. Subject to the limitations ~~contained~~ in section ~~18(a)~~ **18.5** of this chapter, the assessor or assessors appointed under subdivision (2) may contract with a professional appraiser employed under this section to supply technical advice during a general reassessment period for all townships in the county. A proportionate part of the appropriation to all townships for assessing purposes shall be used to pay for the technical advice.

(c) As used in this chapter, "professional appraiser" means an individual or firm that is certified under IC 6-1.1-31.7.

SECTION 9. IC 6-1.1-4-27.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 27.5. (a) The auditor of each county shall establish a property reassessment fund. The county treasurer shall deposit all collections resulting from the property taxes that the county ~~is required to levy under this section in levies for~~ the county's property reassessment fund.

**(b) With respect to the general reassessment of real property that is to commence on July 1, 2009, the county council of each county shall, for property taxes due in 2006, 2007, 2008, and 2009, levy in each year against all the taxable property in the county an amount equal to one-fourth (1/4) of the remainder of:**

**(1) the estimated costs referred to in section 28.5(a) of this chapter; minus**

**(2) the amount levied under this section by the county council for property taxes due in 2004 and 2005.**

~~(b)~~ **(c)** With respect to a general reassessment of real property that is to commence on July 1, ~~2007~~, **2014**, and each ~~fourth~~ **fifth** year thereafter, the county council of each county shall, for property taxes due in the year that the general reassessment is to commence and the ~~three (3)~~ **four (4)** years preceding that year, levy against all the taxable property in the county an amount equal to ~~one-fourth (1/4)~~ **one-fifth (1/5)** of the estimated ~~cost~~ **costs** of the general reassessment **under section 28.5 of this chapter.**

~~(c)~~ **(d)** The department of local government finance shall give to each county council notice, before January 1 in a year, of the tax levies required by this section for that year.

~~(d)~~ **(e)** The department of local government finance may raise or lower the property tax levy under this section for a year if the department determines it is appropriate because the estimated cost of:

**(1) a general reassessment; including a general reassessment to be completed for the March 1, 2002, assessment date; or**

**(2) making annual adjustments under section 4.5 of this chapter;**

has changed.

**(e)** If the county council determines that there is insufficient money in the county's reassessment fund to pay all expenses (as permitted

under sections 28.5 and 32 of this chapter) relating to the general reassessment of real property commencing July 1, 2000; the county may, for the purpose of paying expenses (as permitted under sections 28.5 and 32 of this chapter) relating to the general reassessment commencing July 1, 2000; use money deposited in the fund from the tax levy under this section for 2000 or a later year.

(f) The county assessor or township assessor may petition the county fiscal body to increase the levy under subsection (b) or (c) to pay for the costs of:

- (1) a general reassessment;
- (2) verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; or
- (3) processing annual adjustments under section 4.5 of this chapter.

The assessor must document the needs and reasons for the increased funding.

(g) If the county fiscal body denies a petition under subsection (f), the assessor may appeal to the department of local government finance. The department of local government finance shall:

- (1) hear the appeal; and
- (2) determine whether the additional levy is necessary.

SECTION 10. IC 6-1.1-4-28.5, AS AMENDED BY SEA 308-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 28.5. (a) Money assigned to a property reassessment fund under section 27.5 of this chapter may be used only to pay the costs of:

- (1) the general reassessment of real property, including the computerization of assessment records;
- (2) payments to county assessors, members of property tax assessment boards of appeals, or assessing officials under IC 6-1.1-35.2;
- (3) the development or updating of detailed soil survey data by the United States Department of Agriculture or its successor agency;
- (4) the updating of plat books; ~~and~~
- (5) payments for the salary of permanent staff or for the contractual services of temporary staff who are necessary to assist county assessors, members of a county property tax assessment board of appeals, and assessing officials;
- (6) making annual adjustments under section 4.5 of this chapter; and
- (7) the verification under 50 IAC 21-3-2 of sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3.

(b) All counties shall use modern, detailed soil maps in the general reassessment of agricultural land.

(c) The county treasurer of each county shall, in accordance with IC 5-13-9, invest any money accumulated in the property reassessment fund. ~~until the money is needed to pay general reassessment expenses.~~ Any interest received from investment of the money shall be paid into the property reassessment fund.

~~(d) An appropriation under this section must be approved by the fiscal body of the county after the review and recommendation of the~~

1 county assessor. However, in a county with an elected township  
 2 assessor in every township, the county assessor does not review an  
 3 appropriation under this section; and only the fiscal body must approve  
 4 an appropriation under this section.

5 SECTION 11. IC 6-1.1-4-31 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 31. (a) The department  
 7 of local government finance shall periodically check the conduct of:

- 8 (1) a general reassessment of property;
- 9 (2) **work required to be performed by local officials under 50**  
 10 **IAC 21; and**
- 11 (3) **other property assessment activities in the county, as**  
 12 **determined by the department.**

13 The department of local government finance may inform township  
 14 assessors, county assessors, and the presidents of county councils in  
 15 writing if its check reveals that the general reassessment ~~is or other~~  
 16 **property assessment activities are** not being properly conducted,  
 17 **work required to be performed by local officials under 50 IAC 21**  
 18 **is not being properly conducted,** or if property assessments ~~under the~~  
 19 ~~general reassessment~~ are not being properly made.

20 (b) The failure of the department of local government finance to  
 21 inform local officials under subsection (a) shall not be construed as an  
 22 indication by the department that:

- 23 (1) the general reassessment ~~is or other property assessment~~  
 24 **activities are** being properly conducted;
- 25 (2) **work required to be performed by local officials under 50**  
 26 **IAC 21 is being properly conducted;** or ~~that~~
- 27 (3) property assessments ~~under the general reassessment~~ are being  
 28 properly made.

29 (c) **If the department of local government finance:**

- 30 (1) **determines under subsection (a) that a general reassessment**  
 31 **or other assessment activities for a general reassessment year**  
 32 **or any other year are not being properly conducted; and**

33 (2) **informs:**

- 34 (A) **the township assessor of each affected township;**
- 35 (B) **the county assessor; and**
- 36 (C) **the president of the county council;**

37 **in writing under subsection (a);**

38 **the department may order a state conducted assessment or**  
 39 **reassessment under section 31.5 of this chapter to begin not less**  
 40 **than sixty (60) days after the date of the notice under subdivision**  
 41 **(2). If the department determines during the period between the**  
 42 **date of the notice under subdivision (2) and the proposed date for**  
 43 **beginning the state conducted assessment or reassessment that the**  
 44 **general reassessment or other assessment activities for the general**  
 45 **reassessment are being properly conducted, the department may**  
 46 **rescind the order.**

47 (d) **If the department of local government finance:**

- 48 (1) **determines under subsection (a) that work required to be**  
 49 **performed by local officials under 50 IAC 21 is not being**  
 50 **properly conducted; and**

51 (2) **informs:**

1 (A) the township assessor of each affected township;

2 (B) the county assessor; and

3 (C) the president of the county council;

4 in writing under subsection (a);

5 the department may conduct the work or contract to have the work  
6 conducted to begin not less than sixty (60) days after the date of the  
7 notice under subdivision (2). If the department determines during  
8 the period between the date of the notice under subdivision (2) and  
9 the proposed date for beginning the work or having the work  
10 conducted that work required to be performed by local officials  
11 under 50 IAC 21 is being properly conducted, the department may  
12 rescind the order.

13 (e) If the department of local government finance contracts to  
14 have work conducted under subsection (d), the department shall  
15 forward the bill for the services to the county and the county shall  
16 pay the bill under the same procedures that apply to county  
17 payments of bills for assessment or reassessment services under  
18 section 31.5 of this chapter.

19 SECTION 12. IC 6-1.1-4-31.5 IS ADDED TO THE INDIANA  
20 CODE AS A NEW SECTION TO READ AS FOLLOWS  
21 [EFFECTIVE UPON PASSAGE]: Sec. 31.5. (a) As used in this  
22 section, "assessment official" means any of the following:

23 (1) A county assessor.

24 (2) A township assessor.

25 (3) A township trustee-assessor.

26 (b) As used in this section, "department" refers to the  
27 department of local government finance.

28 (c) If the department makes a determination and informs local  
29 officials under section 31(c) of this chapter, the department may  
30 order a state conducted assessment or reassessment in the county  
31 subject to the time limitation in that subsection.

32 (d) If the department orders a state conducted assessment or  
33 reassessment in a county, the department shall assume the duties  
34 of the county's assessment officials. Notwithstanding sections 15  
35 and 17 of this chapter, an assessment official in a county subject to  
36 an order issued under this section may not assess property or have  
37 property assessed for the assessment or general reassessment. Until  
38 the state conducted assessment or reassessment is completed under  
39 this section, the assessment or reassessment duties of an assessment  
40 official in the county are limited to providing the department or a  
41 contractor of the department the support and information  
42 requested by the department or the contractor.

43 (e) Before assuming the duties of a county's assessment officials,  
44 the department shall transmit a copy of the department's order  
45 requiring a state conducted assessment or reassessment to the  
46 county's assessment officials, the county fiscal body, the county  
47 auditor, and the county treasurer. Notice of the department's  
48 actions must be published one (1) time in a newspaper of general  
49 circulation published in the county. The department is not required  
50 to conduct a public hearing before taking action under this section.

51 (f) Township and county officials in a county subject to an order

issued under this section shall, at the request of the department or the department's contractor, make available and provide access to all:

- (1) data;
- (2) records;
- (3) maps;
- (4) parcel record cards;
- (5) forms;
- (6) computer software systems;
- (7) computer hardware systems; and
- (8) other information;

related to the assessment or reassessment of real property in the county. The information described in this subsection must be provided at no cost to the department or the contractor of the department. A failure to provide information requested under this subsection constitutes a failure to perform a duty related to an assessment or a general reassessment and is subject to IC 6-1.1-37-2.

(g) The department may enter into a contract with a professional appraising firm to conduct an assessment or reassessment under this section. If a county or a township located in the county entered into a contract with a professional appraising firm to conduct the county's assessment or reassessment before the department orders a state conducted assessment or reassessment in the county under this section, the contract:

- (1) is as valid as if it had been entered into by the department; and
- (2) shall be treated as the contract of the department.

(h) After receiving the report of assessed values from the appraisal firm acting under a contract described in subsection (g), the department shall give notice to the taxpayer and the county assessor, by mail, of the amount of the assessment or reassessment. The notice of assessment or reassessment:

- (1) is subject to appeal by the taxpayer under section 31.7 of this chapter; and
- (2) must include a statement of the taxpayer's rights under section 31.7 of this chapter.

(i) The department shall forward a bill for services provided under a contract described in subsection (g) to the auditor of the county in which the state conducted reassessment occurs. The county shall pay the bill under the procedures prescribed by subsection (j).

(j) A county subject to an order issued under this section shall pay the cost of a contract described in subsection (g), without appropriation, from the county property reassessment fund. A contractor may periodically submit bills for partial payment of work performed under the contract. Notwithstanding any other law, a contractor is entitled to payment under this subsection for work performed under a contract if the contractor:

- (1) submits to the department a fully itemized, certified bill in the form required by IC 5-11-10-1 for the costs of the work

1 performed under the contract;

2 (2) obtains from the department:

3 (A) approval of the form and amount of the bill; and

4 (B) a certification that the billed goods and services have  
5 been received and comply with the contract; and

6 (3) files with the county auditor:

7 (A) a duplicate copy of the bill submitted to the department;

8 (B) proof of the department's approval of the form and  
9 amount of the bill; and

10 (C) the department's certification that the billed goods and  
11 services have been received and comply with the contract.

12 The department's approval and certification of a bill under  
13 subdivision (2) shall be treated as conclusively resolving the merits  
14 of a contractor's claim. Upon receipt of the documentation  
15 described in subdivision (3), the county auditor shall immediately  
16 certify that the bill is true and correct without further audit,  
17 publish the claim as required by IC 36-2-6-3, and submit the claim  
18 to the county executive. The county executive shall allow the claim,  
19 in full, as approved by the department, without further  
20 examination of the merits of the claim in a regular or special  
21 session that is held not less than three (3) days and not more than  
22 seven (7) days after the completion of the publication requirements  
23 under IC 36-2-6-3. Upon allowance of the claim by the county  
24 executive, the county auditor shall immediately issue a warrant or  
25 check for the full amount of the claim approved by the department.  
26 Compliance with this subsection constitutes compliance with  
27 IC 5-11-6-1, IC 5-11-10, and IC 36-2-6. The determination and  
28 payment of a claim in compliance with this subsection is not subject  
29 to remonstrance and appeal. IC 36-2-6-4(f) and IC 36-2-6-9 do not  
30 apply to a claim submitted under this subsection. IC 5-11-10-1.6(d)  
31 applies to a fiscal officer who pays a claim in compliance with this  
32 subsection.

33 (k) Notwithstanding IC 4-13-2, a period of seven (7) days is  
34 permitted for each of the following to review and act under  
35 IC 4-13-2 on a contract of the department entered into under this  
36 section:

37 (1) The commissioner of the Indiana department of  
38 administration.

39 (2) The director of the budget agency.

40 (3) The attorney general.

41 (l) If money in the county's property reassessment fund is  
42 insufficient to pay for an assessment or reassessment conducted  
43 under this section, the department may increase the tax rate and  
44 tax levy of the county's property reassessment fund to pay the cost  
45 and expenses related to the assessment or reassessment.

46 (m) The department or the contractor of the department shall use  
47 the land values determined under section 13.6 of this chapter for a  
48 county subject to an order issued under this section to the extent  
49 that the department or the contractor finds that the land values  
50 reflect the true tax value of land, as determined under this article  
51 and the rules of the department. If the department or the

contractor finds that the land values determined for the county under section 13.6 of this chapter do not reflect the true tax value of land, the department or the contractor shall determine land values for the county that reflect the true tax value of land, as determined under this article and the rules of the department. Land values determined under this subsection shall be used to the same extent as if the land values had been determined under section 13.6 of this chapter. The department or the contractor of the department shall notify the county's assessment officials of the land values determined under this subsection.

(n) A contractor of the department may notify the department if:

(1) a county auditor fails to:

(A) certify the contractor's bill;

(B) publish the contractor's claim;

(C) submit the contractor's claim to the county executive; or

(D) issue a warrant or check for payment of the contractor's bill;

as required by subsection (j) at the county auditor's first legal opportunity to do so;

(2) a county executive fails to allow the contractor's claim as legally required by subsection (j) at the county executive's first legal opportunity to do so; or

(3) a person or an entity authorized to act on behalf of the county takes or fails to take an action, including failure to request an appropriation, and that action or failure to act delays or halts progress under this section for payment of the contractor's bill.

(o) The department, upon receiving notice under subsection (n) from a contractor of the department, shall:

(1) verify the accuracy of the contractor's assertion in the notice that:

(A) a failure occurred as described in subsection (n)(1) or (n)(2); or

(B) a person or an entity acted or failed to act as described in subsection (n)(3); and

(2) provide to the treasurer of state the department's approval under subsection (j)(2)(A) of the contractor's bill with respect to which the contractor gave notice under subsection (n).

(p) Upon receipt of the department's approval of a contractor's bill under subsection (o), the treasurer of state shall pay the contractor the amount of the bill approved by the department from money in the possession of the state that would otherwise be available for distribution to the county, including distributions from the property tax replacement fund or distribution of admissions taxes or wagering taxes.

(q) The treasurer of state shall withhold from the money that would be distributed under IC 4-33-12-6, IC 4-33-13-5, IC 6-1.1-21-4(b), or any other law to a county described in a notice provided under subsection (n) the amount of a payment made by the treasurer of state to the contractor of the department under subsection (p). Money shall be withheld first from the money



payable to the county under IC 6-1.1-21-4(b) and then from all other sources payable to the county.

(r) Compliance with subsections (n) through (q) constitutes compliance with IC 5-11-10.

(s) IC 5-11-10-1.6(d) applies to the treasurer of state with respect to the payment made in compliance with subsections (n) through (q). This subsection and subsections (n) through (q) must be interpreted liberally so that the state shall, to the extent legally valid, ensure that the contractual obligations of a county subject to this section are paid. Nothing in this section shall be construed to create a debt of the state.

(t) The provisions of this section are severable as provided in IC 1-1-1-8(b).

SECTION 13. IC 6-1.1-4-31.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 31.6. (a) Subject to the other requirements of this section, the department of local government finance may:**

(1) negotiate an addendum to a contract referred to in section 31.5(g) of this chapter that is treated as a contract of the department; or  
 (2) include provisions in a contract entered into by the department under section 31.5(g) of this chapter;  
 to require the contractor of the department to represent the department in appeals initiated under section 31.7 of this chapter and to afford to taxpayers an opportunity to attend an informal hearing.

(b) The purpose of the informal hearing referred to in subsection (a) is to:

(1) discuss the specifics of the taxpayer's assessment or reassessment;  
 (2) review the taxpayer's property record card;  
 (3) explain to the taxpayer how the assessment or reassessment was determined;  
 (4) provide to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or reassessment;  
 (5) note and consider objections of the taxpayer;  
 (6) consider all errors alleged by the taxpayer; and  
 (7) otherwise educate the taxpayer about:  
 (A) the taxpayer's assessment or reassessment;  
 (B) the assessment or reassessment process; and  
 (C) the assessment or reassessment appeal process under section 31.7 of this chapter.

(c) Following an informal hearing referred to in subsection (b), the contractor shall:

(1) make a recommendation to the department of local government finance as to whether a change in the reassessment is warranted; and  
 (2) if recommending a change under subdivision (1), provide to the department a statement of:

1 (A) how the changed assessment or reassessment was  
 2 determined; and

3 (B) the amount of the changed assessment or reassessment.

4 (d) To preserve the right to appeal under section 31.7 of this  
 5 chapter, a taxpayer must initiate the informal hearing process by  
 6 notifying the department of local government finance or its  
 7 designee of the taxpayer's intent to participate in an informal  
 8 hearing referred to in subsection (b) not later than forty-five (45)  
 9 days after the department of local government finance gives notice  
 10 under section 31.5(h) of this chapter to taxpayers of the amount of  
 11 the reassessment.

12 (e) The informal hearings referred to in subsection (b) must be  
 13 conducted:

14 (1) in the county where the property is located; and

15 (2) in a manner determined by the department of local  
 16 government finance.

17 (f) The department of local government finance shall:

18 (1) consider the recommendation of the contractor under  
 19 subsection (c); and

20 (2) if the department accepts a recommendation that a change  
 21 in the assessment or reassessment is warranted, accept or  
 22 modify the recommended amount of the changed assessment or  
 23 reassessment.

24 (g) The department of local government finance shall send a  
 25 notice of the result of each informal hearing to:

26 (1) the taxpayer;

27 (2) the county auditor;

28 (3) the county assessor; and

29 (4) the township assessor of the township in which the property  
 30 is located.

31 (h) A notice under subsection (g) must:

32 (1) state whether the assessment or reassessment was changed  
 33 as a result of the informal hearing; and

34 (2) if the assessment or reassessment was changed as a result of  
 35 the informal hearing:

36 (A) indicate the amount of the changed assessment or  
 37 reassessment; and

38 (B) provide information on the taxpayer's right to appeal  
 39 under section 31.7 of this chapter.

40 (i) If the department of local government finance does not send  
 41 a notice under subsection (g) not later than two hundred seventy  
 42 (270) days after the date the department gives notice of the amount  
 43 of the assessment or reassessment under section 31.5(h) of this  
 44 chapter:

45 (1) the department may not change the amount of the  
 46 assessment or reassessment under the informal hearing process  
 47 described in this section; and

48 (2) the taxpayer may appeal the assessment or reassessment  
 49 under section 31.7 of this chapter.

50 (j) The department of local government finance may adopt rules  
 51 to establish procedures for informal hearings under this section.

1       (k) Payment for an addendum to a contract under subsection  
2       (a)(1) is made in the same manner as payment for the contract  
3       under section 31.5(i) of this chapter.

4       SECTION 14. IC 6-1.1-4-31.7 IS ADDED TO THE INDIANA  
5       CODE AS A NEW SECTION TO READ AS FOLLOWS  
6       [EFFECTIVE UPON PASSAGE]: Sec. 31.7. (a) As used in this  
7       section, "special master" refers to a person designated by the  
8       Indiana board under subsection (e).

9       (b) The notice of assessment or reassessment under section  
10       31.5(h) of this chapter is subject to appeal by the taxpayer to the  
11       Indiana board. The procedures and time limitations that apply to  
12       an appeal to the Indiana board of a determination of the  
13       department of local government finance do not apply to an appeal  
14       under this subsection. The Indiana board may establish applicable  
15       procedures and time limitations under subsection (l).

16       (c) In order to appeal under subsection (b), the taxpayer must:

- 17       (1) participate in the informal hearing process under section
- 18       31.6 of this chapter;
- 19       (2) except as provided in section 31.6(i) of this chapter, receive
- 20       a notice under section 31.6(g) of this chapter; and
- 21       (3) file a petition for review with the appropriate county
- 22       assessor not later than thirty (30) days after:

23       (A) the date of the notice to the taxpayer under section

24       31.6(g) of this chapter; or

25       (B) the date after which the department may not change the

26       amount of the assessment or reassessment under the informal

27       hearing process described in section 31.6 of this chapter.

28       (d) The Indiana board may develop a form for petitions under  
29       subsection (c) that outlines:

- 30       (1) the appeal process;
- 31       (2) the burden of proof; and
- 32       (3) evidence necessary to warrant a change to an assessment or
- 33       reassessment.

34       (e) The Indiana board may contract with, appoint, or otherwise  
35       designate the following to serve as special masters to conduct  
36       evidentiary hearings and prepare reports required under  
37       subsection (g):

- 38       (1) Independent, licensed appraisers.
- 39       (2) Attorneys.
- 40       (3) Certified level two Indiana assessor-appraisers (including
- 41       administrative law judges employed by the Indiana board).
- 42       (4) Other qualified individuals.

43       (f) Each contract entered into under subsection (e) must specify  
44       the appointee's compensation and entitlement to reimbursement  
45       for expenses. The compensation and reimbursement for expenses  
46       are paid from the county property reassessment fund.

47       (g) With respect to each petition for review filed under subsection  
48       (c), the special masters shall:

- 49       (1) set a hearing date;
- 50       (2) give notice of the hearing at least thirty (30) days before the
- 51       hearing date, by mail, to:

- 1 (A) the taxpayer;
- 2 (B) the department of local government finance;
- 3 (C) the township assessor; and
- 4 (D) the county assessor;
- 5 (3) conduct a hearing and hear all evidence submitted under
- 6 this section; and
- 7 (4) make evidentiary findings and file a report with the Indiana
- 8 board.
- 9 (h) At the hearing under subsection (g):
- 10 (1) the taxpayer shall present:
- 11 (A) the taxpayer's evidence that the assessment or
- 12 reassessment is incorrect;
- 13 (B) the method by which the taxpayer contends the
- 14 assessment or reassessment should be correctly determined;
- 15 and
- 16 (C) comparable sales, appraisals, or other pertinent
- 17 information concerning valuation as required by the Indiana
- 18 board; and
- 19 (2) the department of local government finance shall present its
- 20 evidence that the assessment or reassessment is correct.
- 21 (i) The Indiana board may dismiss a petition for review filed
- 22 under subsection (c) if the evidence and other information required
- 23 under subsection (h)(1) is not provided at the hearing under
- 24 subsection (g).
- 25 (j) The township assessor and the county assessor may attend and
- 26 participate in the hearing under subsection (g).
- 27 (k) The Indiana board may:
- 28 (1) consider the report of the special masters under subsection
- 29 (g)(4);
- 30 (2) make a final determination based on the findings of the
- 31 special masters without:
- 32 (A) conducting a hearing; or
- 33 (B) any further proceedings; and
- 34 (3) incorporate the findings of the special masters into the
- 35 board's findings in resolution of the appeal.
- 36 (l) The Indiana board may adopt rules under IC 4-22-2-37.1 to:
- 37 (1) establish procedures to expedite:
- 38 (A) the conduct of hearings under subsection (g); and
- 39 (B) the issuance of determinations of appeals under
- 40 subsection (k); and
- 41 (2) establish deadlines:
- 42 (A) for conducting hearings under subsection (g); and
- 43 (B) for issuing determinations of appeals under subsection
- 44 (k).
- 45 (m) A determination by the Indiana board of an appeal under
- 46 subsection (k) is subject to appeal to the tax court under
- 47 IC 6-1.1-15.

48 SECTION 15. IC 6-1.1-5-15 IS AMENDED TO READ AS  
 49 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) Except as  
 50 provided in subsection (b), before an owner of real property  
 51 demolishes, structurally modifies, or improves it at a cost of more than

1 five hundred dollars (\$500) for materials or labor, or both, the owner or  
 2 the owner's agent shall file with **the area plan commission or** the  
 3 county assessor in the county where the property is located an  
 4 assessment registration notice on a form prescribed by the department  
 5 of local government finance.

6 (b) If the owner of the real property, or the person performing the  
 7 work for the owner, is required to obtain a permit from an agency or  
 8 official of the state or a political subdivision for the demolition,  
 9 structural modification, or improvement, the owner or the person  
 10 performing the work for the owner is not required to file an assessment  
 11 registration notice.

12 (c) Each state or local government official or agency shall, before the  
 13 tenth day of each month, deliver a copy of each permit described in  
 14 subsection (b) to the assessor of the county in which the real property  
 15 to be improved is situated. **Each area plan commission shall, before**  
 16 **the tenth day of each month, deliver a copy of each assessment**  
 17 **registration notice described in subsection (a) to the assessor of the**  
 18 **county where the property is located.**

19 (d) Before the last day of each month, the county assessor shall  
 20 distribute a copy of each assessment registration notice filed under  
 21 subsection (a) or permit received under subsection (b) to the assessor  
 22 of the township in which the real property to be demolished, modified,  
 23 or improved is situated.

24 (e) A fee of five dollars (\$5) shall be charged by **the area plan**  
 25 **commission or** the county assessor for the filing of the assessment  
 26 registration notice. All fees collected ~~by the county assessor~~ **under this**  
 27 **subsection** shall be deposited in the county property reassessment fund.

28 (f) A township or county assessor shall immediately notify the county  
 29 treasurer if the assessor discovers property that has been improved or  
 30 structurally modified at a cost of more than five hundred dollars (\$500)  
 31 and the owner of the property has failed to obtain the required building  
 32 permit or to file an assessment registration notice.

33 (g) Any person who fails to:

34 (1) file the registration notice required by subsection (a); or

35 (2) obtain a building permit described in subsection (b);

36 before demolishing, structurally modifying, or improving real property  
 37 is subject to a civil penalty of one hundred dollars (\$100). The county  
 38 treasurer shall include the penalty on the person's property tax  
 39 statement and collect it in the same manner as delinquent personal  
 40 property taxes under IC 6-1.1-23. However, if a person files a late  
 41 registration notice, the person shall pay the fee, if any, and the penalty  
 42 to **the area plan commission or** the county assessor at the time the  
 43 person files the late registration notice.

44 SECTION 16. IC 6-1.1-5.5-3 IS AMENDED TO READ AS  
 45 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. **(a) For purposes of**  
 46 **this section, "party" includes:**

47 **(1) a seller of property that is exempt under the seller's**  
 48 **ownership; or**

49 **(2) a purchaser of property that is exempt under the**  
 50 **purchaser's ownership;**

51 **from property taxes under IC 6-1.1-10.**

~~(a)~~ **(b)** Before filing a conveyance document with the county auditor under IC 6-1.1-5-4, all the parties to the conveyance must complete and sign a sales disclosure form as prescribed by the department of local government finance under section 5 of this chapter. All the parties may sign one (1) form, or if all the parties do not agree on the information to be included on the completed form, each party may sign and file a separate form.

~~(b)~~ **(c)** Except as provided in subsection ~~(c)~~; **(d)**, the auditor shall forward each sales disclosure form to the county assessor. The county assessor shall retain the forms for five (5) years. The county assessor shall forward the sales disclosure form data to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The county assessor shall forward a copy of the sales disclosure forms to the township assessors in the county. The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

~~(c)~~ **(d)** In a county containing a consolidated city, the auditor shall forward the sales disclosure form to the appropriate township assessor. The township assessor shall forward the sales disclosure form to the department of local government finance and the legislative services agency:

(1) before January 1, 2005, in an electronic format, if possible; and

(2) after December 31, 2004, in an electronic format specified jointly by the department of local government finance and the legislative services agency.

The forms may be used by the county assessing officials, the department of local government finance, and the legislative services agency for the purposes established in IC 6-1.1-4-13.6, sales ratio studies, equalization, adoption of rules under IC 6-1.1-31-3 and IC 6-1.1-31-6, and any other authorized purpose.

~~(d)~~ **(e)** If a sales disclosure form includes the telephone number or Social Security number of a party, the telephone number or Social Security number is confidential.

SECTION 17. IC 6-1.1-5.5-4.7, AS AMENDED BY P.L.1-2004, SECTION 10, AND AS AMENDED BY P.L.23-2004, SECTION 11, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.7. (a) The assessment training **and administration** fund is established for the purpose of receiving fees deposited under section 4 of this chapter. Money in *the* fund may be used by:

**(1)** the department of local government finance to cover expenses incurred in the development and administration of programs for the training of assessment officials and employees of the department, including the examination and certification program required by

IC 6-1.1-35.5; The fund shall be administered by the treasurer of state: or

(2) the Indiana board to:

(A) conduct appeal activities; or

(B) pay for appeal services.

~~(b) The expenses of administering the fund shall be paid from money in the fund.~~

~~(c) (b) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited into the fund.~~

~~(d) (c) Money in the fund at the end of a state fiscal year does not revert to the state general fund.~~

SECTION 18. IC 6-1.1-5.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The department of local government finance shall prescribe a sales disclosure form for use under this chapter. The form prescribed by the department of local government finance must include at least the following information:

- (1) The key number of the parcel (as defined in IC 6-1.1-1-8.5).
- (2) Whether the entire parcel is being conveyed.
- (3) The address of the property.
- (4) The date of the execution of the form.
- (5) The date the property was transferred.
- (6) Whether the transfer includes an interest in land or improvements, or both.
- (7) Whether the transfer includes personal property.
- (8) An estimate of any personal property included in the transfer.
- (9) The name, ~~and~~ address, **and telephone number** of:
  - (A) each transferor and transferee; **and**
  - (B) the person that prepared the form.
- (10) The mailing address to which the property tax bills or other official correspondence should be sent.
- (11) The ownership interest transferred.
- (12) The classification of the property (as residential, commercial, industrial, agricultural, vacant land, or other).
- (13) The total price actually paid or required to be paid in exchange for the conveyance, whether in terms of money, property, a service, an agreement, or other consideration, but excluding tax payments and payments for legal and other services that are incidental to the conveyance.
- (14) The terms of seller provided financing, such as interest rate, points, type of loan, amount of loan, and amortization period, and whether the borrower is personally liable for repayment of the loan.
- (15) Any family or business relationship existing between the transferor and the transferee.
- (16) Other information as required by the department of local government finance to carry out this chapter.

If a form under this section includes the telephone number or the Social Security number of a party, the telephone number or the Social Security number is confidential.

SECTION 19. IC 6-1.1-17-8 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) If the county board of tax adjustment determines that the maximum aggregate tax rate permitted within a political subdivision under IC 6-1.1-18 is inadequate, the county board shall, subject to the limitations prescribed in IC 6-1.1-19-2, file its written recommendations in duplicate with the county auditor. The board shall include with its recommendations:

- (1) an analysis of the aggregate tax rate within the political subdivision;
- (2) a recommended breakdown of the aggregate tax rate among the political subdivisions whose tax rates compose the aggregate tax rate within the political subdivision; and
- (3) any other information which the county board considers relevant to the matter.

(b) The county auditor shall forward one (1) copy of the county board's recommendations to the department of local government finance and shall retain the other copy in the county auditor's office. The department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budgets **by fund**, tax rates, and tax levies of the political subdivisions described in subsection (a)(2).

SECTION 20. IC 6-1.1-17-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. (a) ~~Except as provided in subsection (b);~~ **Ten (10) or more taxpayers or one (1) taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision** may initiate an appeal from the county board of tax adjustment's action on a political subdivision's budget by filing a statement of their objections with the county auditor. The statement must be filed not later than ten (10) days after the publication of the notice required by section 12 of this chapter. The statement shall specifically identify the provisions of the budget and tax levy to which the taxpayers object. The county auditor shall forward the statement, with the budget, to the department of local government finance.

~~(b) This subsection applies to provisions of the budget and tax levy of a political subdivision:~~

- ~~(1) against which an objection petition was filed under section 5(b) of this chapter; and~~
- ~~(2) that were not changed by the fiscal body of the political subdivision after hearing the objections.~~

~~A group of ten (10) or more taxpayers may not initiate an appeal under subsection (a) against provisions of the budget and tax levy if less than seventy-five percent (75%) of the objecting taxpayers with respect to the objection petition filed under section 5(b) of this chapter were objecting taxpayers with respect to the objection statement filed under subsection (a) against those provisions.~~

**(b) The department of local government finance shall:**

- (1) subject to subsection (c), give notice to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer,**



of the date, time, and location of the hearing on the objection statement filed under subsection (a);

(2) conduct a hearing on the objection; and

(3) after the hearing:

(A) consider the testimony and evidence submitted at the hearing; and

(B) mail the department's:

(i) written determination; and

(ii) written statement of findings;

to the first ten (10) taxpayers whose names appear on the petition, or to the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision in the case of an appeal initiated by that taxpayer.

The department of local government finance may hold the hearing in conjunction with the hearing required under IC 6-1.1-17-16.

(c) The department of local government finance shall provide written notice to:

(1) the first ten (10) taxpayers whose names appear on the petition; or

(2) the taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision, in the case of an appeal initiated by that taxpayer;

at least five (5) days before the date of the hearing.

SECTION 21. IC 6-1.1-17-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local government finance may revise, reduce, or increase a political subdivision's budget **by fund**, tax rate, or tax levy which the department reviews under section 8 or 10 of this chapter.

(b) Subject to the limitations and requirements prescribed in this section, the department of local government finance may review, revise, reduce, or increase the budget **by fund**, tax rate, or tax levy of any of the political subdivisions whose tax rates compose the aggregate tax rate within a political subdivision whose budget, tax rate, or tax levy is the subject of an appeal initiated under this chapter.

(c) Except as provided in ~~subsection~~ **subsections (j) and (k)**, before the department of local government finance reviews, revises, reduces, or increases a political subdivision's budget **by fund**, tax rate, or tax levy under this section, the department must hold a public hearing on the budget, tax rate, and tax levy. The department of local government finance shall hold the hearing in the county in which the political subdivision is located. The department of local government finance may consider the budgets **by fund**, tax rates, and tax levies of several political subdivisions at the same public hearing. At least five (5) days before the date fixed for a public hearing, the department of local government finance shall give notice of the time and place of the hearing and of the budgets **by fund**, levies, and tax rates to be considered at the hearing. The department of local government finance shall publish the notice in two (2) newspapers of general circulation published in the county. However, if only one (1) newspaper of general

1 circulation is published in the county, the department of local  
2 government finance shall publish the notice in that newspaper.

3 (d) Except as provided in subsection (i), IC 6-1.1-19, or  
4 IC 6-1.1-18.5, the department of local government finance may not  
5 increase a political subdivision's budget **by fund**, tax rate, or tax levy  
6 to an amount which exceeds the amount originally fixed by the political  
7 subdivision. The department of local government finance shall give the  
8 political subdivision written notification specifying any revision,  
9 reduction, or increase the department proposes in a political  
10 subdivision's tax levy or tax rate. The political subdivision has one (1)  
11 week from the date the political subdivision receives the notice to  
12 provide a written response to the department of local government  
13 finance's Indianapolis office specifying how to make the required  
14 reductions in the amount budgeted ~~for each office or department~~ **by**  
15 **fund**. The department of local government finance shall make  
16 reductions as specified in the political subdivision's response if the  
17 response is provided as required by this subsection and sufficiently  
18 specifies all necessary reductions. The department of local government  
19 finance may make a revision, a reduction, or an increase in a political  
20 subdivision's budget only ~~in the total amounts budgeted for each office~~  
21 ~~or department within each of the major budget classifications prescribed~~  
22 ~~by the state board of accounts~~ **by fund**.

23 (e) The department of local government finance may not approve a  
24 levy for lease payments by a city, town, county, library, or school  
25 corporation if the lease payments are payable to a building corporation  
26 for use by the building corporation for debt service on bonds and if:

- 27 (1) no bonds of the building corporation are outstanding; or
- 28 (2) the building corporation has enough legally available funds on  
29 hand to redeem all outstanding bonds payable from the particular  
30 lease rental levy requested.

31 (f) The department of local government finance shall certify its action  
32 to:

- 33 (1) the county auditor; ~~and~~
- 34 (2) the political subdivision if the department acts pursuant to an  
35 appeal initiated by the political subdivision;
- 36 **(3) the first ten (10) taxpayers whose names appear on a**  
37 **petition filed under section 13 of this chapter; and**
- 38 **(4) a taxpayer that owns property that represents at least ten**  
39 **percent (10%) of the taxable assessed valuation in the political**  
40 **subdivision.**

41 (g) The following may petition for judicial review of the final  
42 determination of the department of local government finance under  
43 subsection (f):

- 44 (1) If the department acts under an appeal initiated by a political  
45 subdivision, the political subdivision.
- 46 (2) If the department acts under an appeal initiated by taxpayers  
47 under section 13 of this chapter, a taxpayer who signed the petition  
48 under that section.
- 49 (3) If the department acts under an appeal initiated by the county  
50 auditor under section 14 of this chapter, the county auditor.
- 51 **(4) A taxpayer that owns property that represents at least ten**

1       **percent (10%) of the taxable assessed valuation in the political**  
 2       **subdivision.**

3       The petition must be filed in the tax court not more than forty-five (45)  
 4       days after the department certifies its action under subsection (f).

5       (h) The department of local government finance is expressly directed  
 6       to complete the duties assigned to it under this section not later than  
 7       February 15th of each year for taxes to be collected during that year.

8       (i) Subject to the provisions of all applicable statutes, the department  
 9       of local government finance may increase a political subdivision's tax  
 10      levy to an amount that exceeds the amount originally fixed by the  
 11      political subdivision if the increase is:

12      (1) requested in writing by the officers of the political subdivision;

13      (2) either:

14          (A) based on information first obtained by the political  
 15          subdivision after the public hearing under section 3 of this  
 16          chapter; or

17          (B) results from an inadvertent mathematical error made in  
 18          determining the levy; and

19      (3) published by the political subdivision according to a notice  
 20      provided by the department.

21      (j) The department of local government finance shall annually review  
 22      the budget **by fund** of each school corporation not later than April 1.  
 23      The department of local government finance shall give the school  
 24      corporation written notification specifying any revision, reduction, or  
 25      increase the department proposes in the school corporation's budget **by**  
 26      **fund**. A public hearing is not required in connection with this review  
 27      of the budget.

28      **(k) The department of local government finance may hold a**  
 29      **hearing under subsection (c) only if the notice required in**  
 30      **IC 6-1.1-17-12 is published at least ten (10) days before the date of**  
 31      **the hearing.**

32      SECTION 22. IC 6-1.1-21-4 IS AMENDED TO READ AS  
 33      FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year  
 34      the department shall allocate from the property tax replacement fund an  
 35      amount equal to the sum of:

36      (1) each county's total eligible property tax replacement amount for  
 37      that year; plus

38      (2) the total amount of homestead tax credits that are provided  
 39      under IC 6-1.1-20.9 and allowed by each county for that year; plus

40      (3) an amount for each county that has one (1) or more taxing  
 41      districts that contain all or part of an economic development district  
 42      that meets the requirements of section 5.5 of this chapter. This  
 43      amount is the sum of the amounts determined under the following  
 44      STEPS for all taxing districts in the county that contain all or part  
 45      of an economic development district:

46          STEP ONE: Determine that part of the sum of the amounts under  
 47          section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable  
 48          to the taxing district.

49          STEP TWO: Divide:

50              (A) that part of the subdivision (1) amount that is attributable  
 51              to the taxing district; by

1 (B) the STEP ONE sum.

2 STEP THREE: Multiply:

3 (A) the STEP TWO quotient; times

4 (B) the taxes levied in the taxing district that are allocated to a  
5 special fund under IC 6-1.1-39-5.

6 (b) Except as provided in subsection (e), between March 1 and  
7 August 31 of each year, the department shall distribute to each county  
8 treasurer from the property tax replacement fund one-half (1/2) of the  
9 estimated distribution for that year for the county. Between September  
10 1 and December 15 of that year, the department shall distribute to each  
11 county treasurer from the property tax replacement fund the remaining  
12 one-half (1/2) of each estimated distribution for that year. The amount  
13 of the distribution for each of these periods shall be according to a  
14 schedule determined by the property tax replacement fund board under  
15 section 10 of this chapter. The estimated distribution for each county  
16 may be adjusted from time to time by the department to reflect any  
17 changes in the total county tax levy upon which the estimated  
18 distribution is based.

19 (c) On or before December 31 of each year or as soon thereafter as  
20 possible, the department shall make a final determination of the amount  
21 which should be distributed from the property tax replacement fund to  
22 each county for that calendar year. This determination shall be known  
23 as the final determination of distribution. The department shall  
24 distribute to the county treasurer or receive back from the county  
25 treasurer any deficit or excess, as the case may be, between the sum of  
26 the distributions made for that calendar year based on the estimated  
27 distribution and the final determination of distribution. The final  
28 determination of distribution shall be based on the auditor's abstract  
29 filed with the auditor of state, adjusted for postabstract adjustments  
30 included in the December settlement sheet for the year, and such  
31 additional information as the department may require.

32 (d) All distributions provided for in this section shall be made on  
33 warrants issued by the auditor of state drawn on the treasurer of state.  
34 If the amounts allocated by the department from the property tax  
35 replacement fund exceed in the aggregate the balance of money in the  
36 fund, then the amount of the deficiency shall be transferred from the  
37 state general fund to the property tax replacement fund, and the auditor  
38 of state shall issue a warrant to the treasurer of state ordering the  
39 payment of that amount. However, any amount transferred under this  
40 section from the general fund to the property tax replacement fund  
41 shall, as soon as funds are available in the property tax replacement  
42 fund, be retransferred from the property tax replacement fund to the  
43 state general fund, and the auditor of state shall issue a warrant to the  
44 treasurer of state ordering the replacement of that amount.

45 (e) Except as provided in subsection (f) **(g) and subject to**  
46 **subsection (h)**, the department shall not distribute under subsection (b)  
47 and section 10 of this chapter **a percentage, determined by the**  
48 **department, of the money attributable to the county's property**  
49 **reassessment fund that would otherwise be distributed to the county**  
50 **under subsection (b) and section 10 of this chapter if:**

51 (1) by the date the distribution is scheduled to be made, the county

auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required under that section; ~~or~~

(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a);

**(4) the county assessor has not forwarded to the department of local government finance in a timely manner sales disclosure forms under IC 6-1.1-5.5-3(b);**

**(5) local assessing officials have not provided information to the department of local government finance in a timely manner under IC 4-10-13-5(b);**

**(6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of local government finance in a timely manner;**

**(7) the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b);**

**(8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a timely manner; or**

**(9) a township or county official has not provided other information to the department of local government finance in a timely manner as required by the department.**

~~(f)~~ Except as provided in subsection ~~(i)~~ if the elected township assessors in the county; the elected township assessors and the county assessor; or the county assessor has not transmitted to the department of local government finance by October ~~1~~ of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b); the state board or the department shall not distribute under subsection (b) and section ~~10~~ of this chapter a part of the money attributable to the county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by October ~~1~~ as described in this section bears to the total number of townships in the county.

~~(g)~~ **(f)** Except as provided in subsection **(i)**, money not distributed for the reasons stated in subsection ~~(c)(1)~~ and ~~(c)(2)~~ **(e)** shall be distributed to the county when

**(1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; and**

**(2) the county assessor forwards to the department of local government finance the approved exemption applications required**

to be forwarded under IC 6-1.1-11-8(a);  
with respect to which the failure to send or forward resulted in the  
withholding of the distribution under subsection (e):

(h) Money not distributed under subsection (f) shall be distributed to  
the county when the elected township assessors in the county, the  
elected township assessors and the county assessor, or the county  
assessor transmits to the department of local government finance the  
data required to be transmitted under IC 6-1.1-4-25(b) with respect to  
which the failure to transmit resulted in the withholding of the  
distribution under subsection (f): **determines that the failure to:**

**(1) provide information; or**

**(2) pay a bill for services;**

**has been corrected.**

(i) (g) The restrictions on distributions under ~~subsections~~ **subsection**  
(e) ~~and (f)~~ do not apply if the department of local government finance  
determines that

(1) the failure of:

(A) a county auditor to send a certified statement; or

(B) a county assessor to forward copies of all approved  
exemption applications;

as described in subsection (e); or

(2) the failure of an official to transmit data as described in  
subsection (f);

**to:**

**(1) provide information; or**

**(2) pay a bill for services;**

**in a timely manner** is justified by unusual circumstances.

(h) The department shall give the county auditor at least thirty  
(30) days notice in writing before withholding a distribution under  
subsection (e).

(i) Money not distributed for the reason stated in subsection  
(e)(6) may be deposited in the fund established by  
IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not  
subject to distribution under subsection (f).

SECTION 23. IC 6-1.1-21.8-4, AS AMENDED BY HEA  
1288-2005, SECTION 93, IS AMENDED TO READ AS FOLLOWS  
[EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The board shall determine the  
terms of a loan made under this chapter. However, the interest charged  
on the loan may not exceed the percent of increase in the United States  
Department of Labor Consumer Price Index for Urban Wage Earners  
and Clerical Workers during the most recent twelve (12) month period  
for which data is available as of the date that the unit applies for a loan  
under this chapter. In the case of a qualified taxing unit that is not a  
school corporation or a public library (as defined in IC 36-12-1-5), a  
loan must be repaid not later than ten (10) years after the date on which  
the loan was made. In the case of a qualified taxing unit that is a school  
corporation or a public library (as defined in IC 36-12-1-5), a loan must  
be repaid not later than eleven (11) years after the date on which the  
loan was made. A school corporation or a public library (as defined in  
IC 36-12-1-5) is not required to begin making payments to repay a loan  
until after June 30, 2004. The total amount of all the loans made under

1 this chapter may not exceed twenty-eight million dollars (\$28,000,000).  
 2 The board may disburse the proceeds of a loan in installments.  
 3 However, not more than one-third (1/3) of the total amount to be loaned  
 4 under this chapter may be disbursed at any particular time without the  
 5 review of the budget committee and the approval of the budget agency.

6 (b) A loan made under this chapter shall be repaid only from:

7 (1) property tax revenues of the qualified taxing unit that are  
 8 subject to the levy limitations imposed by IC 6-1.1-18.5 or  
 9 IC 6-1.1-19; or

10 **(2) in the case of a school corporation, the school corporation's**  
 11 **debt service fund; or**

12 ~~(2)~~ **(3)** any other source of revenues (other than property taxes) that  
 13 is legally available to the qualified taxing unit.

14 The payment of any installment of principal constitutes a first charge  
 15 against the property tax revenues described in subdivision (1) that are  
 16 collected by the qualified taxing unit during the calendar year the  
 17 installment is due and payable.

18 (c) The obligation to repay a loan made under this chapter is not a  
 19 basis for the qualified taxing unit to obtain an excessive tax levy under  
 20 IC 6-1.1-18.5 or IC 6-1.1-19.

21 (d) Whenever the board receives a payment on a loan made under this  
 22 chapter, the board shall deposit the amount paid in the counter-cyclical  
 23 revenue and economic stabilization fund.

24 (e) This section does not prohibit a qualified taxing unit from  
 25 repaying a loan made under this chapter before the date specified in  
 26 subsection (a) if a taxpayer described in section 3 of this chapter  
 27 resumes paying property taxes to the qualified taxing unit.

28 (f) Interest accrues on a loan made under this chapter until the date  
 29 the board receives notice from the county auditor that the county has  
 30 adopted at least one (1) of the following:

31 (1) The county adjusted gross income tax under IC 6-3.5-1.1.

32 (2) The county option income tax under IC 6-3.5-6.

33 (3) The county economic development income tax under  
 34 IC 6-3.5-7.

35 Notwithstanding subsection (a), interest may not be charged on a loan  
 36 made under this chapter if a tax described in this subsection is adopted  
 37 before a qualified taxing unit applies for the loan.

38 SECTION 24. IC 6-1.1-28-1 IS AMENDED TO READ AS  
 39 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Each county shall  
 40 have a county property tax assessment board of appeals composed of  
 41 individuals who are at least eighteen (18) years of age and  
 42 knowledgeable in the valuation of property. In addition to the county  
 43 assessor, only one (1) other individual who is an officer or employee of  
 44 a county or township may serve on the board of appeals in the county  
 45 in which the individual is an officer or employee. **Subject to**  
 46 **subsections (d) and (e)**, the fiscal body of the county shall appoint two  
 47 (2) individuals to the board. At least one (1) of the members appointed  
 48 by the county fiscal body must be a certified level two  
 49 assessor-appraiser. **Subject to subsections (d) and (e)**, the board of  
 50 commissioners of the county shall appoint two (2) freehold members so  
 51 that not more than three (3) of the five (5) members may be of the same

political party and so that at least three (3) of the five (5) members are residents of the county. At least one (1) of the members appointed by the board of county commissioners must be a certified level two assessor-appraiser. ~~However,~~ If the county assessor is a certified level two assessor-appraiser, the board of county commissioners may waive the requirement in this subsection that one (1) of the freehold members appointed by the board of county commissioners must be a certified level two assessor-appraiser. A person appointed to a property tax assessment board of appeals may serve on the property tax assessment board of appeals of another county at the same time. The members of the board shall elect a president. The employees of the county assessor shall provide administrative support to the property tax assessment board of appeals. The county assessor is a voting member of the property tax assessment board of appeals. The county assessor shall serve as secretary of the board. The secretary shall keep full and accurate minutes of the proceedings of the board. A majority of the board that includes at least one (1) certified level two assessor-appraiser constitutes a quorum for the transaction of business. Any question properly before the board may be decided by the agreement of a majority of the whole board.

(b) The county assessor, county fiscal body, and board of county commissioners may agree to waive the requirement in subsection (a) that not more than three (3) of the five (5) members of the county property tax assessment board of appeals may be of the same political party if it is necessary to waive the requirement due to the absence of certified level two Indiana assessor-appraisers:

- (1) who are willing to serve on the board; and
- (2) whose political party membership status would satisfy the requirement in subsection (c)(1).

(c) If the board of county commissioners is not able to identify at least two (2) prospective freehold members of the county property tax assessment board of appeals who are:

- (1) residents of the county;
- (2) certified level two Indiana assessor-appraisers; and
- (3) willing to serve on the county property tax assessment board of appeals;

it is not necessary that at least three (3) of the five (5) members of the county property tax assessment board of appeals be residents of the county.

**(d) Except as provided in subsection (e), the term of a member of the county property tax assessment board of appeals appointed under subsection (a):**

- (1) is one (1) year; and**
- (2) begins January 1.**

**(e) If:**

- (1) the term of a member of the county property tax assessment board of appeals appointed under subsection (a) expires;**
- (2) the member is not reappointed; and**
- (3) a successor is not appointed;**

**the term of the member continues until a successor is appointed.**

SECTION 25. IC 6-1.1-31.5-2 IS AMENDED TO READ AS



FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) **Subject to section 3.5(e) of this chapter**, the department shall adopt rules under IC 4-22-2 to prescribe computer specification standards and for the certification of:

- ~~(1)~~ **computer operating systems;**
- ~~(2)~~ **(1) computer software;**
- ~~(3)~~ **(2) software providers;**
- ~~(4)~~ **(3) computer service providers; and**
- ~~(5)~~ **(4) computer equipment providers.**

(b) The rules of the department shall provide for:

- (1) the effective and efficient administration of assessment laws;
- (2) the prompt updating of assessment data;
- (3) the administration of information contained in the sales disclosure form, as required under IC 6-1.1-5.5; and
- (4) other information necessary to carry out the administration of the property tax assessment laws.

(c) After December 31, 1998, **subject to section 3.5(e) of this chapter**, a county may contract only for computer software and with software providers, computer service providers, and equipment providers that are certified by the department under the rules described in subsection (a).

(d) The initial rules under this section must be adopted under IC 4-22-2 before January 1, 1998.

SECTION 26. IC 6-1.1-31.5-3.5, AS AMENDED BY HEA 1137-2005, SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3.5. (a) **Until the system described in subsection (e) is implemented**, each county shall maintain a state certified computer system that has the capacity to:

- (1) process and maintain assessment records;
- (2) process and maintain standardized property tax forms;
- (3) process and maintain standardized property assessment notices;
- (4) maintain complete and accurate assessment records for the county; and
- (5) process and compute complete and accurate assessments in accordance with Indiana law.

The county assessor with the recommendation of the township assessors shall select the computer system used by township assessors and the county assessor in the county except in a county with an elected township assessor in every township. In a county with an elected township assessor in every township, the elected township assessors shall select a computer system based on a majority vote of the township assessors in the county.

(b) All information on ~~the~~ **a computer system referred to in subsection (a)** shall be readily accessible to:

- (1) township assessors;
- (2) the county assessor;
- (3) the department of local government finance; and
- (4) members of the county property tax assessment board of appeals.

(c) The certified system **referred to in subsection (a)** used by the counties must be:

(1) compatible with the data export and transmission requirements in a standard format prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; ~~The certified system must be and~~

(2) maintained in a manner that ensures prompt and accurate transfer of data to the department of local government finance and the legislative services agency.

(d) All standardized property forms and notices on the certified computer system **referred to in subsection (a)** shall be maintained by the township assessor and the county assessor in an accessible location and in a format that is easily understandable for use by persons of the county.

**(e) The department shall adopt rules before July 1, 2006, for the establishment of:**

**(1) a uniform and common property tax management system among all counties that:**

**(A) includes a combined mass appraisal and county auditor system integrated with a county treasurer system; and**

**(B) replaces the computer system referred to in subsection (a); and**

**(2) a schedule for implementation of the system referred to in subdivision (1) structured to result in the implementation of the system in all counties with respect to an assessment date:**

**(A) determined by the department; and**

**(B) specified in the rule.**

**(f) The department shall appoint an advisory committee to assist the department in the formulation of the rules referred to in subsection (e). The department shall determine the number of members of the committee. The committee:**

**(1) must include at least:**

**(A) one (1) township assessor;**

**(B) one (1) county assessor;**

**(C) one (1) county auditor; and**

**(D) one (1) county treasurer; and**

**(2) shall meet at times and locations determined by the department.**

**(g) Each member of the committee appointed under subsection (f) who is not a state employee is not entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b). The member is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.**

**(h) Each member of the committee appointed under subsection (f) who is a state employee is entitled to reimbursement for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as provided in the state policies and procedures established by the Indiana department of administration and approved by the budget agency.**

(i) The department shall report to the budget committee in writing the department's estimate of the cost of implementation of the system referred to in subsection (e).

SECTION 27. IC 6-1.1-31.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The department may revoke a certification issued under section 2 of this chapter for at least three (3) years if it determines:

(1) that information given by an applicant was false; or

(2) the product, provider, or service certified does not meet the minimum requirements of the department.

(b) If a certification is revoked, any Indiana contract that the provider has is void and the contractor may not receive any additional funds under the contract.

(c) An individual at least eighteen (18) years of age who resides in Indiana and any corporation that satisfies the requirements of this chapter and the rules of the department may be certified as:

(1) a software ~~or computer operating system~~ provider;

(2) a service provider; or

(3) a computer equipment provider.

(d) A person may not sell, buy, trade, exchange, option, lease, or rent ~~computer operating systems~~; software, computer equipment, or service to a county under this chapter without a certification from the department.

(e) A contract for computer software, computer equipment, a computer operating program or computer system service providers under this chapter must contain a provision specifying that the contract is void if the provider's certification is revoked.

(f) The department may not limit the number of systems or providers certified by this chapter so long as the system or provider meets the specifications or standards of the department.

SECTION 28. IC 6-1.1-31.7-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.5. (a) Subject to subsection (b), an individual or a firm that is:**

**(1) an appraiser; or**

**(2) a technical advisor under IC 6-1.1-4;**

**in a county may not serve as a tax representative of any taxpayer with respect to property subject to property taxes in the county before the county property tax assessment board of appeals of that county or the Indiana board of tax review.**

**(b) Subsection (a) does not apply to tax representation in a county with respect to an issue of a taxpayer if:**

**(1) the individual or firm representing the taxpayer is no longer under contract as an appraiser or a technical advisor in the county as described in subsection (a); and**

**(2) the individual or firm was not directly involved with the issue of the taxpayer while under contract.**

SECTION 29. IC 20-14-13-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. **Notwithstanding IC 6-1.1-17**, the department of local government finance may approve appropriations from the capital projects fund only if the appropriations

conform to a plan that has been adopted and approved in compliance with this chapter.

SECTION 30. IC 21-2-15-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. **Notwithstanding IC 6-1.1-17**, the department of local government finance may approve appropriations from the capital projects fund only if they conform to a plan that has been adopted in compliance with this chapter.

SECTION 31. P.L.245-2003, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION 37. (a) Notwithstanding IC 6-1.1-5.5-4(a), a person filing a sales disclosure form under IC 6-1.1-5.5 with respect to a sale of real property that occurs:

(1) after December 31, 2003; and

(2) before January 1, ~~2006~~, **2012**;

shall pay a fee of ten dollars (\$10) to the county auditor.

(b) Notwithstanding IC 6-1.1-5.5-4(b) and IC 6-1.1-5.5-12(d), fifty percent (50%) of the revenue collected under:

(1) subsection (a); and

(2) IC 6-1.1-5.5-12;

for the period referred to in subsection (a) shall be deposited in the county sales disclosure fund established under IC 6-1.1-5.5-4.5. Ten percent (10%) of the revenue **collected before July 1, 2005**, shall be transferred to the treasurer of state for deposit in the assessment training **and administration** fund established under IC 6-1.1-5.5-4.7. Forty percent (40%) of the revenue **collected before July 1, 2005**, shall be transferred to the treasurer of state for deposit in the state general fund. **Fifty percent (50%) of the revenue collected after June 30, 2005, shall be transferred to the assessment training and administration fund established under IC 6-1.1-5.5-4.7.**

(c) The department of local government finance may provide training of assessment officials and employees of the department through the Indiana chapter of the International Association of Assessing Officers on various dates and at various locations in Indiana.

(d) This SECTION expires January 1, ~~2007~~, **2012**.

SECTION 32. [EFFECTIVE UPON PASSAGE] (a) **Notwithstanding subsection (b) or the amendments to IC 6-1.1-4-4.5 by this act, county assessors, township assessors, and township trustee assessors shall:**

(1) **verify sales disclosure forms forwarded to the county assessor under IC 6-1.1-5.5-3; and**

(2) **proceed with other duties under 50 IAC 21;**

**so that the completion of those actions is accomplished on a schedule that is as close as possible to the schedules for completion of those actions under 50 IAC 21 that applied before the amendment of IC 6-1.1-4-4.5 by this act.**

(b) **Notwithstanding 50 IAC 21-3-2(b), the department of local government finance shall notify each county assessor of a deadline for:**

(1) **the determination of annual adjustments in the county under 50 IAC 21-3-2 for the 2006 assessment date; and**

(2) **the submission of the annual adjustments to the department**

for review and certification under IC 6-1.1-4-4.5, as amended by this act.

(c) This SECTION expires January 1, 2008.

SECTION 33. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) As used in this SECTION, "taxpayer" means a nonprofit corporation that is an owner of land and improvements:

(1) that were granted an exemption under IC 6-1.1-10 from property taxes first due and payable in 2001;

(2) that were owned by a sorority and used by the sorority to carry out its purposes during the period relevant to the determination of exemption from property taxes under IC 6-1.1-10-16 or IC 6-1.1-10-24 for the assessment dates in 2002 and 2003;

(3) for which a property tax liability was imposed for property taxes first due and payable in 2003 and 2004 that in total exceeded sixty thousand dollars (\$60,000); and

(4) that would have qualified for an exemption under IC 6-1.1-10-16 or IC 6-1.1-10-24 from property taxes first due and payable in 2003 and 2004 if the owner had complied with the filing requirements for the exemption in a timely manner.

(c) The land and improvements described in subsection (b) are exempt from property taxes first due and payable in 2003 and 2004, notwithstanding that the taxpayer failed to make a timely application for the exemption for those years.

(d) The taxpayer may file claims with the county auditor for a refund for the amounts paid toward property taxes on the land and improvements described in subsection (b) that were billed to the taxpayer for property taxes first due and payable in 2003 and 2004. The claim must be filed as set forth in IC 6-1.1-26-1(1) through IC 6-1.1-26-1(3). The claims must present sufficient facts for the county auditor to determine:

(1) whether the claimant meets the qualifications described in subsection (b); and

(2) the amount that should be refunded to the taxpayer.

(e) Upon receiving a claim filed under this SECTION, the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the county auditor shall submit the claim under IC 6-1.1-26-3 to the county board of commissioners for review. The only grounds for disallowing the claim under IC 6-1.1-26-4 are that the claimant is not a person that meets the qualifications described in subsection (b) or that the amount claimed is not the amount due to the taxpayer. If the claim is allowed, the county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this SECTION. The amount of the refund must equal the amount of the claim allowed. Notwithstanding IC 6-1.1-26-5, no interest is payable on the refund.

(f) This SECTION expires December 31, 2008.

SECTION 34. [EFFECTIVE UPON PASSAGE] (a) As used in this

1 SECTION, "assessment date" has the meaning set forth in  
2 IC 6-1.1-1-2.

3 (b) Notwithstanding IC 6-1.1-4-4.5, as amended by this act:

4 (1) for the property tax assessment of agricultural land for the  
5 assessment date in 2005 and 2006, the statewide agricultural  
6 land base rate value of eight hundred eighty dollars (\$880) per  
7 acre is substituted for the statewide agricultural land base rate  
8 value of one thousand fifty dollars (\$1,050) per acre in the real  
9 property assessment guidelines of the department of local  
10 government finance that apply for those assessment dates; and  
11 (2) IC 6-1.1-4-4.5(e), as added by this act, does not apply with  
12 respect to the property tax assessment of agricultural land for  
13 the assessment date in 2006.

14 (c) This SECTION expires January 1, 2008.

15 SECTION 35. [EFFECTIVE UPON PASSAGE] (a) The definitions  
16 in IC 6-1.1-1 apply throughout this SECTION.

17 (b) As used in this SECTION, "taxpayer" means a nonprofit  
18 corporation that is an owner of land and improvements:

19 (1) that were:

20 (A) owned and occupied by the taxpayer during the period  
21 preceding the assessment date in 1999 and continuing  
22 through the date that this SECTION is effective; and

23 (B) used to prepare and create a soccer facility to provide  
24 youths with the opportunity to play supervised and organized  
25 soccer against other youths;

26 (2) for which the property tax liability imposed for property  
27 taxes first due and payable in 2000, 2001, 2002, 2003, and 2004  
28 exceeded thirty-three thousand dollars (\$33,000), in total,  
29 which has been paid by the taxpayer;

30 (3) that would have qualified for an exemption under  
31 IC 6-1.1-10 from property taxes first due and payable in 2000,  
32 2001, 2002, 2003, and 2004 if the taxpayer had complied with  
33 the filing requirements for the exemption in a timely manner;  
34 and

35 (4) that have been granted an exemption under IC 6-1.1-10  
36 from property taxes first due and payable in 2005.

37 (c) Land and improvements described in subsection (b) are  
38 exempt under IC 6-1.1-10-16 from property taxes first due and  
39 payable in 2003 and 2004, notwithstanding that the taxpayer failed  
40 to make a timely application for the exemption for those years.

41 (d) The taxpayer may file claims with the county auditor for a  
42 refund for the amounts paid toward property taxes on land and  
43 improvements described in subsection (b) that were billed to the  
44 taxpayer for property taxes first due and payable in 2003 and 2004.  
45 The claims must be filed as set forth in IC 6-1.1-26-1(1) through  
46 IC 6-1.1-26-1(3). The claims must present sufficient facts for the  
47 county auditor to determine whether the claimant is a person that  
48 meets the qualifications described in subsection (b) and the amount  
49 that should be refunded to the taxpayer.

50 (e) Upon receiving a claim filed under this SECTION, the county  
51 auditor shall determine whether the claim is correct. If the county

auditor determines that the claim is correct, the county auditor shall submit the claim under IC 6-1.1-26-4 to the county board of commissioners for review. The only grounds for disallowing the claim under IC 6-1.1-26-4 are that the claimant is not a person that meets the qualifications described in subsection (b) or that the amount claimed is not the amount due to the taxpayer. If the claim is allowed, the county auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount due the claimant under this SECTION. The amount of the refund must equal the amount of the claim allowed. Notwithstanding IC 6-1.1-26-5, no interest is payable on the refund.

(f) This SECTION expires December 31, 2007.

SECTION 36. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) A religious institution may file an application under IC 6-1.1-11 before May 11, 2005, for exemption of one (1) or more parcels of real property for property taxes first due and payable in 2001 and 2002 if:

(1) the religious institution did not file an application under IC 6-1.1-11 for exemption of the real property with respect to property taxes first due and payable in 2001 or 2002;

(2) the religious institution acquired the real property after December 31, 1998; and

(3) the real property was exempt from property taxes for property taxes first due and payable in 2000.

(c) If a religious institution files an exemption application under subsection (b):

(1) the exemption application is subject to review and action by:

(A) the county property tax assessment board of appeals; and

(B) the department of local government finance; and

(2) the exemption determination made under subdivision (1) is subject to appeal;

in the same manner that would have applied if an application for exemption had been timely filed in 2000 and 2001.

(d) If an exemption application filed under subsection (b) is approved, the religious institution may file a claim under IC 6-1.1-26-1 with the county auditor for a refund for any payment of property taxes first due and payable in 2001 and for any payment of property taxes first due and payable in 2002, including any paid interest and penalties, with respect to the exempt property.

(e) Upon receiving a claim for a refund filed under subsection (d), the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount of the refund due the claimant. Interest is not payable on the refund.

(f) If an exemption application filed under subsection (b) is

1 approved, the county treasurer shall forgive the interest and  
 2 penalties charged to the religious institution for the exempt  
 3 property in 2001 and 2002 to the extent of the approved  
 4 exemptions.

5 (g) This SECTION expires January 1, 2006.

6 SECTION 37. [EFFECTIVE UPON PASSAGE] (a) The definitions  
 7 in IC 6-1.1-1 apply throughout this SECTION.

8 (b) A religious institution may file an application under  
 9 IC 6-1.1-11 before August 1, 2005, for exemption of one (1) or more  
 10 parcels of real property for property taxes first due and payable in  
 11 2004 and 2005 if:

12 (1) the religious institution did not file an application under  
 13 IC 6-1.1-11 for exemption of the real property with respect to  
 14 property taxes first due and payable in 2004 or 2005;

15 (2) the religious institution acquired the real property after  
 16 December 31, 1999, for charitable or religious purposes;

17 (3) it is determined that the real property is exempt or would  
 18 have been exempt from property taxes for property taxes first  
 19 due and payable after December 31, 1999; and

20 (4) the religious institution:

21 (A) has occupied the real property for the years described in  
 22 subdivision (1); and

23 (B) has used the real property for its religious or charitable  
 24 purposes in the years described in subdivision (1).

25 (c) If a religious institution files an exemption application under  
 26 subsection (b):

27 (1) the exemption application is subject to review and action  
 28 by:

29 (A) the county property tax assessment board of appeals; and

30 (B) the department of local government finance; and

31 (2) the exemption determination made under subdivision (1) is  
 32 subject to appeal;

33 in the same manner that would have applied if an application for  
 34 exemption had been timely filed in 2003 and 2004.

35 (d) The religious institution may file a claim under IC 6-1.1-26-1  
 36 with the county auditor for a refund for any payment of property  
 37 taxes first due and payable in 2004 and 2005, including any paid  
 38 interest and penalties, with respect to the exempt property if:

39 (1) an exemption application filed under subsection (b) is  
 40 approved; and

41 (2) the religious institution has paid any property taxes in 2004  
 42 and 2005 attributable to the exempt property.

43 (e) Upon receiving a claim for a refund filed under subsection (d),  
 44 the county auditor shall determine whether the claim is correct. If  
 45 the county auditor determines that the claim is correct, the auditor  
 46 shall, without an appropriation being required, issue a warrant to  
 47 the claimant payable from the county general fund for the amount  
 48 of the refund due the claimant. Interest is not payable on the  
 49 refund.

50 (f) If:

51 (1) the religious institution incurred property tax liabilities in



any combination of 2004 or 2005 because of the failure to properly apply for a property tax exemption for the religious institution's real property described in subsection (a); and

(2) an exemption application filed under subsection (b) is approved;

the county treasurer of the county in which the real property is located shall forgive the property taxes, penalties, and interest charged to the religious institution for the exempt property in any combination of 2004 or 2005.

(g) This SECTION expires January 1, 2006.

SECTION 38. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.

(b) For purposes of this SECTION, "eligible entity" means a nonprofit entity established for the purpose of retaining and preserving land and water for their natural characteristics.

(c) An eligible entity may file an application under IC 6-1.1-11 before August 1, 2005, for exemption of one (1) or more parcels of real property for property taxes first due and payable in 2001 and 2002 if:

(1) the eligible entity filed an application under any statute for exemption of the real property with respect to property taxes first due and payable in 2001 and 2002; and

(2) it is determined that the real property would have been eligible for exemption from property taxes for property taxes first due and payable in 2001 and 2002 if IC 6-1.1-10-16(c)(3) had been in effect for those years.

(d) If an eligible entity files an exemption application under subsection (c):

(1) the exemption application is subject to review and action by:

(A) the county property tax assessment board of appeals; and

(B) the department of local government finance; and

(2) the exemption determination made under subdivision (1) is subject to appeal;

in the same manner that applies to other exemption applications.

(e) The eligible entity may file a claim under IC 6-1.1-26-1 with the county auditor for a refund for any payment of property taxes first due and payable in 2001 and 2002, including any paid interest and penalties, with respect to the exempt property if:

(1) an exemption application filed under subsection (c) is approved; and

(2) the eligible entity has paid any property taxes in 2001 and 2002 attributable to the exempt property.

(f) Upon receiving a claim for a refund filed under subsection (e), the county auditor shall determine whether the claim is correct. If the county auditor determines that the claim is correct, the auditor shall, without an appropriation being required, issue a warrant to the claimant payable from the county general fund for the amount of the refund due the claimant. Interest is not payable on the refund.

(g) This SECTION expires January 1, 2006.

1       SECTION 39. [EFFECTIVE UPON PASSAGE] (a) The definitions  
2 in IC 6-1.1-12.1 apply throughout this SECTION.

3       (b) With respect to an application filed to claim a deduction  
4 under IC 6-1.1-12.1-5.4 for new manufacturing equipment or new  
5 research and development equipment for an assessment date in  
6 2003, if the department of local government finance has not issued  
7 notification before June 1, 2005, of its determination to approve,  
8 deny, or alter the amount of the deduction claimed, the amount of  
9 the deduction allowed under IC 6-1.1-12.1-5.4 is the amount of the  
10 deduction allowed in calculating the tax statement issued to the  
11 taxpayer under IC 6-1.1-22-8.

12       (c) Subject to subsection (f), if subsection (b) applies:

13           (1) the property owner; or

14           (2) the county auditor with whom the application was filed;  
15 may appeal the amount of the deduction allowed in calculating the  
16 tax statement under IC 6-1.5-5.

17       (d) With respect to an application filed to claim a deduction  
18 under IC 6-1.1-12.1-5.4 for:

19           (1) new manufacturing equipment or new research and  
20 development equipment for an assessment date in 2004; or

21           (2) new manufacturing equipment, new research and  
22 development equipment, new logistical distribution equipment,  
23 or new information technology equipment for an assessment  
24 date in 2005;

25 the amount of the deduction allowed under IC 6-1.1-12.1-5.4 is the  
26 amount of the deduction allowed in calculating the tax statement  
27 issued to the taxpayer under IC 6-1.1-22-8.

28       (e) Subject to subsection (f), if subsection (d) applies, the property  
29 owner may appeal the amount of the deduction allowed in  
30 calculating the tax statement by filing an appeal under  
31 IC 6-1.1-15-1, except that the request for a preliminary conference  
32 must be filed with the county auditor.

33       (f) An appeal initiated under subsection (c) or (e):

34           (1) for an assessment date in 2003 or 2004 must be initiated not  
35 later than the later of:

36                   (A) July 14, 2005; or

37                   (B) forty-five (45) days after the issuance of the tax  
38 statement; and

39           (2) for an assessment date in 2005 must be initiated not later  
40 than forty-five (45) days after the issuance of the tax statement.

41       (g) The county auditor shall:

42           (1) mail a notice to each property owner who has filed a  
43 deduction application subject to this SECTION advising the  
44 property owner of the provisions of this SECTION for  
45 approval and appeal of deductions; and

46           (2) mail the notice under subdivision (1):

47                   (A) before June 1, 2005, to a property owner who has filed a  
48 deduction application for an assessment date in 2003 or 2004;  
49 and

50                   (B) on or before the date that the tax statement is issued  
51 under IC 6-1.1-22-8 to a property owner who has filed a

1           **deduction application for an assessment date in 2005.**  
2           SECTION 40. [EFFECTIVE JULY 1, 2005] (a) **The term of a**  
3           **member of the county property tax assessment board of appeals as**  
4           **of the effective date of this act expires December 31, 2005.**  
5           **(b) This SECTION expires January 1, 2006.**  
6           SECTION 41. [EFFECTIVE JULY 1, 2005] **IC 6-1.1-5.5-3,**  
7           **IC 6-1.1-5.5-4, and IC 6-1.1-5.5-5, all as amended by this act, apply**  
8           **only to sales disclosure forms for conveyances after June 30, 2005.**  
9           SECTION 42. **An emergency is declared for this act.**  
          (Reference is to ESB 327 as reprinted March 29, 2005.)

**Conference Committee Report**  
**on**  
**Engrossed Senate Bill 327**

**S**igned by:

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Senator Weatherwax  
Chairperson

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Representative Espich

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Senator Hume

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Representative Grubb

**Senate Conferees**

**House Conferees**